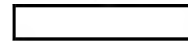


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(Draft Memorandum for NIPE Staff Discussion)

10 April 1967



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MEMORANDUM FOR: Mr. Bross and NIPE Staff Members

SUBJECT : DCI/NIPE Position re Preparation of  
Target-Oriented Display for  
Intelligence Community

1. This memorandum proposes a DCI/NIPE initial position for the forthcoming discussions with DOD and BOB relative to the establishment of a Target-Oriented Display (TOD) mechanism. The purpose of this memorandum is to identify matters with respect to which the DCI should take positions which will be strongly held, i. e., non-negotiable, and other matters where any one of a number of variants would be reasonably satisfactory to the interests of the DCI in his community capacity. The latter, therefore, are negotiable items within the limits which will be indicated below.

2. Before discussing specific aspects of TOD, a number of basic understandings are required. In order to reach general agreement within the DCI/NIPE Staff as to our own initial negotiating position, we must agree on a number of concepts and also on the

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precise meanings we want to give certain words. Addressees of this memorandum should decide whether or not they agree with the points proposed by this memorandum, and if there is disagreement specific alternative proposals are requested. Part I, hereon, is addressed to policy and procedural considerations; Part II discusses details of a TOD matrix.

#### Part I

##### Rights and Responsibilities of the DCI

3. A logical point of departure is a statement as to what are the rights and responsibilities of the DCI which pertain to developing a TOD mechanism. The following answer is proposed:

a. The DCI's responsibilities extend to a coordination of all the foreign intelligence activities of the U. S. Government, in all agencies conducting such activities. This responsibility embraces so-called "departmental" as well as so-called "national" intelligence.

Sources of authority for the foregoing are as follows:

(National Security Act of 1947, as amended)

"Sec. 102 (d). For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the Agency, under the Direction of the National Security Council...

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(2) To make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate to the National Security."

National Security Council Intelligence Directive No. 1

"1. Over-all Coordination. The Director of Central Intelligence shall coordinate the foreign intelligence activities of the United States in accordance with existing law and applicable National Security Council directives. Such coordination shall include both special and other forms of intelligence which together constitute the foreign intelligence activities of the United States...

"3c. The Director of Central Intelligence, or representatives designated by him, in consultation with the head of the intelligence or other appropriate components of the department or agency concerned, shall make such surveys of departmental intelligence activities of the various departments and agencies as he may deem necessary in connection with his duty to advise the National Security Council and to coordinate the intelligence effort of the United States...

"6. Community Responsibilities

a. In implementation of, and in conformity with, approved Security Council policy, the Director of Central Intelligence in consultation with and supported by the other members of the U. S. Intelligence Board and by other appropriate offices, shall:

(1) Call upon the other departments and agencies as appropriate to ensure that on intelligence matters affecting the national security the intelligence community is supported by the full knowledge and technical talent available in or to the Government."

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Letter from President Johnson to the DCI,  
dated September 24, 1965

"In view of the urgent necessity for maintaining effective coordination of all U. S. foreign intelligence functions, I request that you serve as the Government's chief intelligence officer, and that you pursue as a primary responsibility the task of coordinating and guiding the total U. S. foreign intelligence effort in accordance with National Security Council Intelligence Directive Number One of March 4, 1964."

b. To satisfy this broad responsibility, it follows that  
the DCI has the right to define, for his own purposes and  
his own satisfaction, the content of "foreign intelligence  
functions" referred to in the foregoing Presidential letter--  
even though he might not attempt to enforce formally such a  
definition on the community members. As the Government's  
"chief intelligence officer," the DCI must be presumed to be  
authorized to speak the last word (short of the President)  
relative to what is or is not "intelligence." This right will  
be used in determining the program content of the TOD matrix.

c. The DCI has a statutory\* responsibility--which runs  
community-wide--relative to the protection of intelligence  
sources and methods. This responsibility requires that the  
DCI retain a decisive vote, i. e., a veto if necessary, or an

\* - National Security Act of 1947, as amended, Sec. 102 (d) (3).

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unrestricted right to appeal to higher authority, relative to the data content of TOD compilations of information about the activities and the resource costs of the total intelligence community. A comparable right pertains to controlling the access of persons to this TOD community-wide information reservoir in connection with its use or review.

Terms of Reference Proposed  
by Mr. Vance

4. The TOD development exercise is to be conducted according to terms of reference which can be ascertained from proposals in the three separate letters, all dated 8 April 1967, which Deputy Secretary Vance has sent to the DCI, the Director BOB and the Heads of the Military Departments.

a. In his instructions to the Military Departments, Mr. Vance describes TOD as "an array of information to give visibility to the allocation of resources to intelligence targets by costs. This display should reflect the collection/production facilities of the entire community and should include all major collection/production systems."

b. The Vance letter to Mr. Schultz says that "our primary purpose in constructing this display is to provide us with a tool to analyze resource allocations." The Vance letter to Mr. Helms says that "the display will be

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detailed enough to provide us with a tool to aid in the analysis of resource allocations, but not so detailed that it will be unmanageable in construction or application."

c. The general philosophy underlying the DOD proposal for developing the TOD mechanism is indicated in Vance's letter to Helms, as follows:

"Improved cost effectiveness in the intelligence field lies in providing ourselves with improved procedures for establishing intelligence objectives, requirements, and priorities coupled with an improved ability to make trade-off analyses of our collection/production systems. . . . The objective is to insure a thorough analysis of the allocation of resources to intelligence requirements, the cost of meeting individual requirements, and the way in which resources are managed so as to be responsive to identified and agreed needs."

d. The Vance letter to the Military Departments indicates that the procedural means to be used to develop the TOD mechanism will be via a committee (but note that the letters to Helms and Schultz speak of "committees") chaired by ASD (S/A), with representatives also from DDR&E, ASD (C), DIA, BOB and the DCI staff. Additional representation is possible, since the Vance letter states "I request the ASD (S/A) to establish a committee, consisting at a minimum of . . . ."

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e. The Vance letter to the Military Departments states:

"The terms of reference for the display will be formulated by the committee and will be designed to respond to the maximum extent possible to the legitimate needs of the members of the committee. In the event that agreement on the terms of reference cannot be reached within the committee, I request that the ASD (S/A) forward the issues to me for resolution."

The subject of this Vance letter is "TOD for National Intelligence Activities," but the reference to "National" is not found in the Helms and Schultz letters.

5. The terms of reference and procedural arrangements summarized in the preceding paragraph give rise to the following considerations on behalf of the DCI.

#### Committee Chairmanship

a. In a procedural sense, the Vance proposal is to develop a community TOD mechanism by an inter-agency committee under the chairmanship of DOD. The DCI could, if he wished, assert his preeminence and right to chairmanship of this group, notwithstanding the DOD claim based on control of the majority of the resources involved. To do so would be difficult at this point since

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this matter might better have been raised during discussions between DCI/NIPE and DOD over the past months. Thus, this memorandum assumes that the DCI decided some time ago to accept DOD chairmanship, not for the reason asserted by DOD but for the practical reason that this effort requires extensive data collection which must come largely from DOD units and activities and through DOD communications. If this issue is in fact still open, individual members of the NIPE staff would welcome the opportunity to present an alternate proposal for DCI chairmanship.

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Extent of Subject Matter

b. Notwithstanding the preceding paragraph, the DCI may not cede his rights and responsibilities as summarized in paragraph three. This includes the right to have the last word as to what should be included (or excluded) from TOD and his responsibility for prescribing controls to protect the accumulated information and to circumscribe the extent to which it may be made available to third parties for use or review. In an appropriate manner, the DCI should make clear to the TOD group that he means to exercise these rights and assume these responsibilities.

c. In deciding what is to be included or excluded from TOD, the DCI will indicate his desire to have all CIP, CCF, NRO and CIA data included (less certain CIA Clandestine Services activities discussed in the next paragraph). The DCI will not agree that TOD covers only "national" activities. The DCI does not desire that the words "national" and "departmental" be given prominence since the passage of years has obscured this distinction so that it is no longer particularly useful.

d. With regard to CIA, the consensus of the NIPE staff is that all activities should be included except for all

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or part of the Clandestine Services (DD/P). Here there are two principal alternatives: (1) to include Clandestine Collection and exclude Covert Action; (2) to exclude all of the Clandestine Services. It should be possible to explain the exclusion of Covert Action on the ground that it is not "intelligence" and its sensitivity will not permit inclusion. But the difficulty with including Clandestine Collection and excluding Covert Action lies in the practical consideration that these two activities are thoroughly intermingled in the field and both may be performed from time to time by the same individual. There are important by-products from each for the other and at the field station level they are administered pretty much as a package. The allocation of support costs to one or the other activity is necessarily arbitrary. On the other hand, it is presumed that the Clandestine Collection activities of DOD will be included in TOD, and for the sake of giving over-all guidance to these efforts they probably should not be excluded. The DOD can be expected to argue that if their activity is included, comparable activity of CIA should also be included. Further, given the fact that the TOD mechanism is to be developed by inter-agency agreement, any one exception is likely to stimulate

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claims for other exceptions by various agencies. Where exceptions are concerned, the only clear place to draw the line would seem to be with no more of an exclusion than Covert Action. These varying considerations should be subjected to further NIPE staff discussion in order to formulate a position.

e. The DCI will probably require that an additional number of intelligence activities, not now in the CIP or other programs of an intelligence nature, be included in TOD. These are activities which are directly related to programs already in one or another of the four major intelligence programs and which are now omitted therefrom due to bureaucratic considerations internal to the Pentagon. The true costs of included activities cannot be ascertained without adding in the presently excluded costs. This group of activities could include, for example, aircraft assigned primarily to Navy mapping and charting; intelligence staffs of unified and specified commands and Army, Navy and Air Force intelligence staff components within theatres; residual intelligence activities in ONI, ACSI and AFNIN; [redacted] [redacted] et al. The exact DCI position on these items requires refinement and additional effort designed

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to achieve appropriate understandings with DIA will be required in order to bring about the necessary definition of activities, systems and equipments to be included in TOD. However, in principle it is now agreed that the DCI will insist on the inclusion in TOD of a number of activities, systems, equipments or programs not now included in the four major intelligence programs where their resource level or substantive significance warrants inclusion in his opinion.

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Representation of Departments and Agencies

f. The representation in the TOD committee proposed by Mr. Vance is anomalous. ASD(S/A) would seem to control the committee membership, always subject to official approval in DOD. CIA, NSA and NRO are not represented directly. DIA is included but it could be argued that this is in order to give representation to the JCS and the sizeable intelligence components in the unified and specified commands which are otherwise excluded. NSA is represented indirectly through DDR&E. The DCI could represent CIA although to do so would tend to blur the distinction between DCI staff and CIA, which DCI/NIPE has been attempting to establish. The NRO anomaly is different from the foregoing in that no one in the NRO direct chain of command is a member of the TOD committee.

g. One issue which the DCI may face here is how he should react to a possible proposal to include on the TOD committee representatives of NRO, NSA and CIA. Would the desirability of gaining a seat at this table for CIA be greater or less than the desirability of having to provide a seat for NSA and NRO or for one or the other of these? The

DCI/NIPE staff concludes that the greatest gain will come from maintaining the composition of the TOD committee as it has been originally constituted, but including CIA and excluding direct participation by NRO and NSA. However, we would deny CIA a seat if this is the unavoidable price of excluding NRO and NSA. An alternative could be to have a member of CIA/OPPB given temporary additional duty in the NIPE Staff, and thus two "DCI" representatives would attend all meetings. This would permit one person to concentrate on the detailed "fit" of TOD with CIA's program structure and its Financial Account Number (FAN) System. In general, it is desirable to keep the TOD group as streamlined as possible to minimize the proliferation of argumentation.

h. What should be the DCI attitude toward a possible request from NSA, NRO, ONI, AFNIN and ACSI for full-time participation in the TOD group as "observers." The DCI/NIPE Staff concludes that the DCI should oppose such a request from any of these entities, partly because to open the door to one makes it probable that all must be so admitted -- making the group unwieldy and proliferating the opportunities for bureaucratic arguments. In addition, the DCI/NIPE staff

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believes that the position of DIA is strengthened by the exclusion of the foregoing, and we believe that strengthening DIA vis-a-vis other DOD entities is likely to improve the effectiveness both of DIA and of the community. Finally, excluding the foregoing would improve the security control of the data compiled relative to the whole community. As an alternative, the DCI/NIPE staff would admit representatives of these entities as "witnesses" to give testimony and answer questions, and then depart.

#### Scope of Committee's Work and Inquiries

6. Referring again to the terms of reference for the TOD group as indicated through Mr. Vance's letters quoted in paragraph four, a DCI position is required relative to the purpose of the TOD exercise. These quotations give some support to three variant views as to the scope of the TOD group's work. Since we are assuming the DCI has voluntarily agreed not to contest the chairmanship of the TOD committee, it is important that it be understood by all exactly how far the DCI is really deferring to the lead of DOD, and contrary-wise what areas of intelligence management he is not relinquishing or sharing with the TOD group.

a. First. It seems clear that all interested parties involved in the TOD exercise now are in general agreement on

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the minimum objective of the TOD effort. This is to devise and provide data for a matrix within which to account for all activities and related resources of the intelligence community. Having agreed upon a suitable framework, the TOD group will see to it that instructions are issued through command channels to provide the information required to report meaningfully on all of these activities. The DCI/NIPE staff concludes that from the DCI's point of view these minimum objectives are desirable.

b. Second. There is no doubt but that BOB and some parts of DOD conceive of the TOD matrix and its included data as a necessary foundation, or first step, making possible the analysis of resource allocations and the comparative evaluation of alternative uses of resources. This means, in other words, the application of systems analysis to selected areas of intelligence activity, and a step in the direction of a community-wide PPB system. Mr. Vance supports this view directly when he says that "our primary purpose in constructing this display is to provide us with a tool to analyze resource allocations."

Mr. Vance's letters do not propose that the group establish to develop the TOD matrix should continue on and some form of effort to select subjects within the intelligence

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community for further systems analysis or management under its general direction. However, neither do the Vance letters refute such a possibility. The DCI is on record with BOB and the PFIAB in favor of an increased community effort to do systems analysis work and identify trade-offs and preferred alternatives for resource allocations. It would probably be prudent for the DCI to establish a clear and firm position early on that he does not look on the TOD group as other than an ad hoc mechanism to create a structure, and that follow-on analyses based upon the inventory and display of resources and programs will be the subject for consideration primarily and initially within the intelligence community itself. The principal vehicle for managing such efforts is USIB, and under its general guidance individual studies may be conducted by USIB committees and/or by ad hoc agreements between individual intelligence agencies. However, it will not be enough for the DCI merely to enunciate this view. He must also implement it in an active enough way to satisfy BOB that he means to run the community. This does not exclude the possibility that from time to time the DCI will find that ad hoc arrangements for problem-solving between DCI, BOB and ASD (S/A) is also a useful alternative to keep pressure on the agencies in the intelligence community.

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c. Third. Mr. Vance's philosophy (para 4. c. above) could be construed as linking the TOD group with an effort to improve the statement of intelligence requirements. The TOD group cannot avoid backing into the requirements problem to some extent when it goes about deciding on the words to use to express the "targets" of intelligence activity. That is to say, the TOD group cannot escape thinking about the expression of requirements inasmuch as it must decide upon a matrix intended to assist in the allocation of resources to requirements. The DCI should probably insist that he will state a ground rule for the TOD group to clarify how far it should wrestle with the statement of requirements; this could be accomplished through the DCI providing a set of assumptions that is not open to argument which the TOD group will use rather than its own views about how requirements should be stated. The DCI/NIPE staff concludes that such a set of assumptions should be prepared as soon as possible and tested internally by being played against alternative forms of a TOD matrix. In this task, the DCI assumptions will be simplified because of Mr. Vance's statement to Mr. Helms that "the display will... not be so detailed that it will be unmanageable in construction or application."

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The Proposed Time Schedule

7. Mr. Vance's letter to the Military Departments stated that "I would appreciate receiving a copy of the completed display by 15 August 1967." The DCI/NIPE view of this deadline is that it is unrealistic if what is desired is both the TOD structure or matrix and also a rack-up of data covering the total resource allocations and resource plans of the community. Constructing the matrix itself is feasible by this date. The coincidence during the early summer of the annual CIP and CCP reviews strongly suggests the desirability of incorporating these data into the matrix. However, the task of piecing, fitting and adjusting data is believed to be substantial. A better product is likely to result if the TOD committee establishes a ground rule as to the extent it will comply with the data input job by 15 August 1967. No specific proposal is made here; the DCI/NIPE Staff should recommend one.

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<b>TRANSMITTAL SLIP</b>		DATE 13 Apr 67
TO: Mr. Bross		
ROOM NO.	BUILDING	
REMARKS:		
<p>Gerry and I met Benington yesterday in connection with Gerry's briefing, as he gave to the Baker panel.</p> <p>Thereafter, Benington wanted to talk about TOD. We exchanged preliminary and unofficial opinions.</p> <p>Gerry and I would like an opportunity to report to you on this discussion. Benington was very cooperative in attitude. I believe he would be favorable to a bilateral with DCI <sup>NIPE</sup> prior to meeting with a full TOD group. I recommend we try to reach some agreements with him in advance, so these may become <del>bounds for later TOD group procedure.</del></p>		
FROM: <span style="border: 1px solid black; display: inline-block; width: 150px; height: 1.2em; vertical-align: middle;"></span>		
ROOM NO.	BUILDING	EXTENSION

FORM NO. 241  
55

REPLACES FORM 36-8  
WHICH MAY BE USED.

(17)

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM					
UNCLASSIFIED		CONFIDENTIAL		SECRET	
CENTRAL INTELLIGENCE AGENCY OFFICIAL ROUTING SLIP					
TO	NAME AND ADDRESS		DATE	INITIALS	
1	Mr. Bross				
2					
3					
4					
5					
6					
ACTION		DIRECT REPLY		PREPARE REPLY	
APPROVAL		DISPATCH		RECOMMENDATION	
COMMENT		FILE		RETURN	
CONCURRENCE		INFORMATION		SIGNATURE	
<p><b>Remarks:</b> In view of the community-wide nature of the problems involved in responding to and following through on the Vance letters and associated internal DOD memoranda, we think that the responsibility for action should be assigned to NIPE Staff rather than to any office within CIA.</p> <p>If you concur, we suggest that this point be made with the DCI and that action be initiated by NIPE Staff developing a DCI position through review and improvement of the attached draft working memorandum.</p> <p>The attached is Part I of a two part document. This deals with inter-agency relations. Part II deals with a TOD structure.</p>					
FOLD HERE TO RETURN TO SENDER					
FROM: NAME ADDRESS AND PHONE NO.				DATE	
				Apr 11, 67	
UNCLASSIFIED		CONFIDENTIAL		SECRET	

FORM NO. 2-61 237 Use previous editions

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